

# IP bundling and antitrust

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DOJ/FTC, May 2002

# Alternatives to Buying

- Go without
  - Substitutes
  - Generic Econ 1 alternative
- Challenge
  - Specific to IP?
  - Or like entry effects generically?
  - More on this later today
- How does bundling/tying affect these alternatives?

# Attaching IP (to IP, other goods)

- May affect private incentives to challenge
- Right incentives?
  - Consumer value ex post
  - Total surplus ex post
  - IP incentives of profits

# Attaching IP to IP

- Private incentive to challenge single patent bundled with another patent
  - Timing of negotiations
- Is there more incentive if not bundled?
  - Can depend on timing
- What's the right incentive?

# Attaching IP to Structure

- IP, network effect, perhaps in different goods
  - Early telephone networks
  - Star pagination?
- Is this a problem?
  - Structure amplifies reward to IP
  - In principle can be good or bad
  - Presumption: big amplification is bad?
  - $V$  and  $V+N$